

## MACAU<sup>1</sup>

### MINIMUM WAGE

Macau has no minimum wage. According to a senior economic official, the Legislative Council considered a minimum wage bill in 1998, but postponed final action pending an improvement in the economic situation. Labor legislation provides for a 48-hour workweek, an 8-hour workday, and overtime; the law also requires a 24-hour rest period for every 7 days of work.<sup>2</sup>

### PREVAILING OR AVERAGE WAGE

The average monthly wage for workers in the garment industry in 1995 was 4,026 patacas (P), about 520 U.S. dollars (US\$); P3,900 (US\$504) in 1996; P4,177 (US\$540) in 1997; and P4,096 (US\$529) in 1998 (through the third quarter). For the footwear industry, data are only available for 1997 (P3,516 or about US\$454 per month) and 1998 (P3,252 or about US\$420 per month).

The table below presents available data from the International Labor Organization (ILO) on average monthly earnings (direct wages per worker) in Macau for all employees in the manufacturing sector and in the apparel and footwear industries. They include pay for time worked, paid leave, bonuses, and other benefits paid directly to the employee, but not the cost of social insurance programs.<sup>3</sup> Average hours worked per week by production workers were 48.3 in all manufacturing for the years 1990 through 1997, and 52.5 in the apparel industry and 49.7 in the footwear industry for the years 1990 through 1992.<sup>4</sup> Current average earnings, which are reported by the ILO in the national currency, were converted to US\$ using the annual average exchange rate published in annual editions of the Central Intelligence Agency's *The World Factbook*. To track changes in real earnings (i.e., earnings adjusted for inflation), a real earnings index was computed by deflating current earnings in the national currency with the annual average national consumer price index as published in annual editions of the Central Intelligence Agency's *The World Factbook*, indexed to 1990 = 100.

---

<sup>1</sup> Unless noted otherwise, information presented here is from American Consul—Hong Kong, unclassified telegram No. 1192 (February 26, 1999).

<sup>2</sup> U.S. Department of State, *Country Reports on Human Rights Practices for 1998* (Washington: U. S. Government Printing Office, April 1999), p. 985.

<sup>3</sup> International Labour Organization, *Yearbook of Labour Statistics, 1998* (Geneva: International Labour Office, 1998), p. 805.

<sup>4</sup> International Labour Organization, *Yearbook of Labour Statistics, 1998* (Geneva: International Labour Office, 1998), p. 753.

### Average Monthly Earnings in All Manufacturing, Apparel, and Footwear

Year	All Manufacturing		Apparel		Footwear		Real Earnings Index (P; 1990=100)		
	(P)	(US\$)	(P)	(US\$)	(P)	(US\$)	Manuf.	Apparel	Footwear
1990	2,058	256	na	na	na	na	100	na	na
1991	2,232	278	na	na	na	na	100	na	na
1992	2,509	315	na	na	na	na	105	na	na
1993	2,926	364	na	na	na	na	113	na	na
1994	3,111	387	na	na	na	na	112	na	na
1995	3,210	400	na	na	na	na	106	na	na
1996	3,124	392	na	na	na	na	98	na	na
1997	3,323	416	4,465	559	3,601	451	101	na	na

Note: na = not available.

Source: ILO, *Yearbook of Labour Statistics*, 1998, p. 910.

## NON-WAGE BENEFITS

Workers in the apparel and footwear industry—as with other sectors of the Macau economy—receive only severance pay, if laid off, and paid annual holidays. In the absence of any statutory minimum wage or publicly administered social security programs, some large companies provide private welfare and security packages.<sup>5</sup>

## ASSESSING BASIC NEEDS: THE POVERTY LINE

Macau has not determined an official poverty line, and does not publish data on median income, household income, or the percentage of households/workers that fall under various income categories.

## MEETING WORKERS' NEEDS

There is little conclusive evidence on the extent to which wages and non-wage benefits in the footwear or apparel industries in Macau meet workers' basic needs. Some information from U.S. Department of State or American Consul reports indicates more generally that average wages generally provide a decent standard of living for a worker and family in Macau.<sup>6</sup> The American Consul reported that Macau officials were unaware of any studies on the issue of the living wage.

---

<sup>5</sup> U.S. Department of State, *Country Reports on Human Rights Practices for 1998* (Washington: U. S. Government Printing Office, April 1999), p. 985.

<sup>6</sup> U.S. Department of State, *Country Reports on Human Rights Practices for 1998* (Washington: U. S. Government Printing Office, April 1999), p. 985.